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OFFICE OF THE
BOARD OF COMMISSIONERS OF COOK COUNTY

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TONI PRECKWINKLE
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MATTHEW B. DeLEON
SECRETARY TO THE BOARD

JUNE 11, 2013

NOTICE AND AGENDA

There will be a meeting of the **Finance Subcommittee on Pension** of the Board of Commissioners of Cook County on **Wednesday, June 19, 2013** at the hour of **9:00 A.M.** in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois to consider the following:

1. PUBLIC TESTIMONY

- 313151 RESOLUTION TO DISCUSS THE POSSIBLE IMPLICATIONS OF PENSION REFORM LEGISLATION THAT MAY BE DISCUSSED BY THE ILLINOIS GENERAL ASSEMBLY (PROPOSED RESOLUTION). Submitting a Proposed Resolution sponsored by Bridget Gainer, County Commissioner.

PROPOSED RESOLUTION

**TO DISCUSS THE POSSIBLE IMPLICATIONS OF PENSION REFORM
LEGISLATION THAT MAY BE DISCUSSED BY
THE ILLINOIS GENERAL ASSEMBLY**

WHEREAS, it is the request of the Cook County Finance Subcommittee on Pension to call a meeting to discuss the possible implications of pension reform legislation that may be discussed by the General Assembly this Fall; and

WHEREAS, it is the request of the Cook County Finance Subcommittee on Pension to call a committee meeting to hear from Cook County Employees regarding the possible changes to the Cook County and Forest Preserve Pension Funds that may be discussed by the General Assembly this Fall; and

WHEREAS, the Cook County Pension Fund has seen an overall fall in its funded status over the past 10 years from 88.8% to its most recent valuation of 60.7% in 2010; and

WHEREAS, during the January 19, 2011 committee meeting, the Pension Fund's actuary preformed 30-year funding projections for the Cook County Employees' Annuity and Benefit fund which took into account projected benefits, payments, contributions, assets and actuarial liabilities in order to attain the possible options that would increase the funded ratio to 80% at the end of 30 years; and



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WHEREAS, the response from the actuary included multiple options to increase the funded ratio for the Cook County Employees' Annuity and Benefit fund.

NOW, THEREFORE, BE IT RESOLVED, the Cook County Finance Subcommittee on Pension shall hold meetings for the purpose of discussing the possible changes to the Cook County and Forest Preserve Pension Funds; and

BE IT FURTHER RESOVLED, the Cook County Finance Subcommittee on Pension shall hold meetings for the purpose of discussing the possible options to increase the funded status of the Cook County and Forest Preserve Pension Funds.

***Referred to the Subcommittee on Pension on 06-14-11.**

***Deferred to the Subcommittee on Pension on 06-29-11.**

***Deferred to the Subcommittee on Pension on 09-20-11.**

***Deferred to the Subcommittee on Pension on 12-04-12.**

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TO DISCUSS THE FISCAL YEAR 2012 ACTUARIAL VALUATION REPORTS FOR THE COOK COUNTY AND FOREST PRESERVE EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUNDS (PROPOSED RESOLUTION). Submitting a Proposed Resolution sponsored by Bridget Gainer and Joan Patricia Murphy, County Commissioners.

**TO DISCUSS THE FISCAL YEAR 2012 ACTUARIAL VALUATION REPORTS
FOR THE COOK COUNTY AND FOREST PRESERVE EMPLOYEES'
AND OFFICERS' ANNUITY AND BENEFIT FUNDS**

WHEREAS, Actuarial valuations were recently released for the Cook County Employees' Annuity and Benefit Fund and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County as of December 31, 2012; and

WHEREAS, the reports highlight that the funded status of the Cook County Pension Fund has fallen to 53.5%, a 3.8% decrease from last year's funded status of 57.5% and the funded status of the Forest Preserve Pension Fund has fallen to 56.7%, a decrease of 4.9% from last year's funded status of 61.6%; and

WHEREAS, the unfunded liabilities of the Cook County Pension Fund grew to \$6.79 billion, an increase of \$969.5 million from 2011 and an increase of \$1.6 billion since 2010. The unfunded liabilities of the Forest Preserve Pension Fund increased to \$131.9 million, an increase of \$20.7 million from 2011; and

WHEREAS, the 2013 Annual Required Contribution (ARC) for the Cook County Pension Fund is \$719.9 million, or 48.7% of pay and the amount by which contributions are expected to fall short of the ARC increased by over \$66.8 million to \$529 million; and

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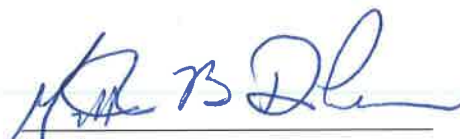
WHEREAS, the updated 30-year funding projection calculates that the Cook County Pension Fund will be insolvent by 2034 - 21 years and the Forest Preserve Pension Fund will be insolvent by 2031- 18 years; and

WHEREAS, the Fund's Actuary has recommended that a funding policy be legislated that is sufficient to pay the Normal Costs of active plan members, plan expenses, and amortize the unfunded actuarial accrued liability over a period no longer than 30 years.

NOW, THEREFORE, BE IT RESOLVED, the Cook County Pension Sub Committee shall meet for the purpose of discussing the Actuarial valuation reports for the Cook County Employees' Annuity and Benefit Fund and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County as of December 31, 2012.

***Referred to the to the Subcommittee on Pension on 05-08-13.**

According to the Cook County Board's Rules of Organization and Procedure, Section 2-107 (dd), public testimony will be permitted at regular and special meetings of the Board and at committee meetings of the Board. Authorization as a public speaker shall only be granted to those individuals who have submitted in writing, their name, address, subject matter, and organization (if any) to the Secretary 24 hours in advance of the meeting. Duly authorized public speakers shall be called upon to deliver testimony at a time specified in the meeting agenda. Public testimony must be germane to a specific item(s) on the meeting agenda, and the testimony must not exceed three minutes; the Secretary will keep track of the time and advise when the time for public testimony has expired. Persons authorized to provide public testimony shall not use vulgar, abusive, or otherwise inappropriate language when addressing the Board; failure to act appropriately; failure to speak to an item that is germane to the meeting, or failure to adhere to the time requirements may result in expulsion from the meeting and/or disqualify the person from providing future testimony.


Matthew B. DeLeon, Secretary

Chairman: Gainer
Vice-Chairman: Goslin
Members: Murphy, Schneider, Steele, Suffredin, Tobolski